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Cadenas de Valor Rurales

Huehuetenango y San Marcos



Annual Work Plan *October 1, 2013 through September 30, 2014*

Guatemala, August 30, 2013

1. Introduction

The Presidential Initiative on Feed the Future (FtF) is built upon the premise that poverty and hunger are closely intertwined. In response, the United States Government focused efforts on promoting economic development in selected priority countries, of which Guatemala is one, in combination with host country investment to comprehensively combat hunger and malnutrition. The Rural Value Chains Project (RVCP) falls within the FtF framework and is designed to address the following issues.

- Promote direct ties between economic growth and improved nutritional levels, not coincidentally, but rather as two interdependent objectives.
- Introduce and adopt a solid participatory approach from the bottom up to effect behavioral changes in producers and their families as a means to improve overall nutrition and income.
- Transfer basic responsibility for Project design and implementation to local Guatemalan organizations.
- Encourage the private sector to take on commitments to promote more equitable and inclusive economic growth in the agricultural sector.

As a result, RVCP goals and objectives will lay the groundwork so that coffee, horticulture and handicraft value chains can expand their reach to include a greater number of small producers --in turn, including more women, young adults and indigenous groups. Producers will then be better positioned to benefit from sustained and long-term economic growth. RVCP expected results include increased producer income by means of innovative production techniques and better access to markets, as well as improved nutrition by means of behavioral changes among the RVCP target population by applying a comprehensive educational approach.

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RVCP/ACFF Consortium

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The USAID Cooperative Agreement AID-520-A-12-00004 was signed on May 31, 2012 between USAID/Guatemala and the RVCP implementation consortium. The Agreement stipulates a requirement for an Annual Work Plan that will describe the commitments undertaken by the consortium and lists the activities to ensure progress toward expected results over the five years in the life of the Project. Annex A to the Agreement stipulates the requirement to submit annual work plans on August 30 of each year describing activities from October 1 of that year until September 30 of the following year.

To this end, the RVCP Project Implementation Unit (UIP in Spanish) facilitated contributions by technical staff from each of the Consortium organizations to develop the Year 2 Work Plan for the period from October 1, 2013 through September 30, 2014. The Plan constitutes an instrument in support of the activities within the RVCP framework that will be undertaken by each of the Consortium organizations during the second year in the life of the Project. The Plan also includes

general background and contextual information in a narrative description together with the budget and a procurement plan.

2. Rural Value Chains Project (RVCP) Overview

As mentioned, the RVCP falls within the framework for the Feed the Future Initiative (FtF) to contribute to food security through economic development and the fight against poverty. FtF aims to achieve this long-term objective through three main components: (1) developing agricultural markets, (2) preventing and treating malnutrition, and (3) improving humanitarian food assistance and social security networks.

To those ends, RVCP has two key objectives as follows:

- Reduce poverty and malnutrition rates in 18 target municipalities located in the provinces of Huehuetenango and San Marcos¹ by increasing the household income of small producers from participating organizations from the coffee, horticulture and handicraft value chains.
- Encourage producers and their families to adopt deep-rooted behavioral changes to see that any improvements in their income may remain sustainable and ensure improvements to the nutritional well being of their families over the short, medium and long term.

The Project is designed to reach the objectives by broadening the participation of poor rural households in value chains for coffee, horticulture and handicrafts. In addition, the Project will assist the value chains to better access local, regional and international markets. Furthermore, RVCP promotes activities pertaining to nutrition to encourage better use of foods as a means to reduce levels of chronic infant malnutrition.

In reaching these objectives, RVCP implements activities under the following components:

- I. Improved competitiveness along the value chains;
- II. Expanded participation in the value chains;
- III. Improved agricultural productivity;
- IV. Expanded trade and increased markets (private consolidator);
- Note: implementation activities for this Component were excluded from the USAID/ANACAFE Agreement.
- V. Improved food production and use, and
- VI. Improvements to the handicrafts value chain.

¹ Huehuetenango: Jacaltenango, Chiantla, San Sebastian Huehuetenango, Todos Santos, Santa Cruz Barrillas, Cuilco, Concepcion Huista, San Antonio Huista, La Libertad and La Democracia.
San Marcos: El Rodeo, San Rafael Pie de la Cuesta, San Lorenzo, San Pablo, Tajumulco, Nuevo Progreso, Sibinal and San Miguel Ixtahuacan. USAID recently approved adding Tejutla, San Marcos and San Pedro Sacatepequez, San Marcos for a new total of 21 municipalities.

Although structured around the components listed above, the Project also includes the following crosscutting themes.

1. Education and Training
2. Entrepreneurial Development
3. Financial Services
4. Communications (information)
5. Engaging local and national government (political dialogue).

RVCP implementation is a responsibility shared by the consortium organizations, i.e. ANACAFE, CONFECOOP (through FEDECOCAGUA, FEDECOAG and ARTEXCO), FUNCAFE and FUNDASISTEMAS. It is apparent that the organizations of small-scale producers are the key members of the Consortium and, as such, play a number of roles within RVCP. They are beneficiaries/partners, as well as designers and implementers that contribute in kind. They are the principal means to obtaining sustained development that will endure beyond the life of the Project.

The Consortium's implementing strategy is flexible and dynamic whereby RVCP activities will be institutionalized within producer organizations so that they continue to institute change upon a sustainable foundation. Behavioral changes among small-scale producers and their families together with institutional and entrepreneurial innovation are what steer RVCP activities. The three RVCP implementation pillars are: (1) participation, (2) competitiveness and (3) improvements to the livelihood of its beneficiaries.

In sum, the challenge facing RVCP partners lies not only in finding the formula that will produce better quality coffee, improve horticulture production for higher value or optimize the production of handicrafts, but also in broadening the participation of small producer groups under equitable and profitable market conditions. Furthermore, the challenge also lies in strengthening the producer groups to ensure that they remain participatory, inclusive and resilient.

3. RVCP Implementation Overview

- The communities selected for RVCP are most often located in remote areas with difficult access and at some distance from their local seat of government (*cabecera municipal*). The communities are in precarious conditions lacking basic services such as potable water, sewers or indoor plumbing and sanitation. Most of the houses are adobe with nothing more than dirt floors. A significant percentage of these communities work in coffee; the families make their living as day laborers, subsistence farmers or informal handicraft production.
- The communities are primarily indigenous population from three ethnic groups: Mam, Quiche and Kaqchikel. The languages spoken are Popti, Kanjobal, Mam, Pocomam, Quiche and Kaqchikel.
- RVCP communities are about 90% reliant on coffee production, primarily micro, small and medium growers producing coffee as follows: Strictly Hard Bean (SHB) (70%), Hard Bean (HB)

(20%) and Extra Prime (EP) (10%). The coffee tree varieties that predominate in the area are about 98% Arabica – Bourbon, Caturra, Catuai, Pache and other disease resistant cultivars. The remaining two percent is Robusta, found primarily in the San Marcos lowlands. The land upon which coffee is planted is sloped (80%) and hilly (20%). The soils are volcanic and predominantly loamy clay, loamy sandy and chalky clay.

- The growers participating through RVCP reside primarily in communities facing dire circumstances as a result of the global financial crisis and from the effects of climate change. The problems they face include:
 - a lack of food security;
 - reliance on a single crop (95% depend on coffee production);
 - in 70% of cases, road infrastructure is in poor condition;
 - public services are deficient or almost non-existent (health, security and education);
 - loss of water resources (attributable to lost vegetation/forest cover and the resulting effect on watersheds);
 - limited income diversification, and
 - increased environmental impacts from human and agricultural activities.

- ARTEXCO completed a survey and description of artisans from the 18 target RVCP municipalities. They worked through a number of entities to complete the listing, including the Municipal Offices on Women (OMMs in Spanish), city planning offices, NGOs and others to identify close to 10,000 artisans in the area (about 95% women and 5% men). The artisans were classified according to activities to produce a list of 5,400 artisans working in textiles, ceramics, leather, woodcarving and other fields. The artisans are located in the municipalities of Jacaltenango, Todos Santos Cuchumatán, Cuilco, San Sebastián Huehuetenango, Concepción Huista, Chiantla and Barrillas in Huehuetenango, as well as in Sibinal, Nuevo Progreso and San Miguel Ixtahuacán in San Marcos.
 - The male and female artisans reside in hamlets, villages and communities within the RVCP target area and produce handicrafts for local sale. They lack market opportunities or access to entrepreneurial services that would propel them out of poverty.
 - The distances between their residences or between other communities are significant, which increases the cost of acquiring technology or equipment. This situation could be addressed through the use of leasing.
 - Given that most of the artisans identified by ARTEXCO work individually, this provides an opportunity for ARTEXCO to work toward its objective to provide support to organizational processes by assisting individuals to organize, structure and legalize production of their wares.

- Under Component V (Increased Food Production and Improved Use), the Project is working through FUNCAFE on Food and Nutritional Security (SAN in Spanish) through co-ops, associations and groups in the coffee, horticulture and handicraft sectors. The groups have

already organized themselves and most have legal personhood. FUNCAFE will classify them by community to set up groups of about 20 to 25 families. The families will be selected according to specific criteria used by this and other USAID projects working on food and nutritional security (especially INCAP). The Project will assess the following issues to select the families:

- willingness to participate
- available space for a family garden plot
- lack of basic services such as clean water and/or efficient fuel wood burning stoves
- active participation in their organization (co-op, association or working groups)
- endorsement by organization representatives as responsible members.

Generally speaking, RVCP producer groups share the following characteristics:

- About 90% of their members have little schooling and high rates of illiteracy.
- About 90% of the organizations have an ageing membership; on average, their members are over 45.
- About 90% of the organizations have vulnerable administrative processes in place; primarily attributable to their limited management capability.
- About 95% of the organizations lack capital and require external financing, which is difficult to access given with their lack of a credit history, lack of effective guarantees and lack of access to credit lines under acceptable terms and conditions.
- About 80% of the membership lacks legal certainty regarding land ownership and in the best of cases, are forced to use municipal certifications to attempt to prove ownership.
- Only a very few organizations are structured around a manager position. This makes their administrative processes difficult and in cases in which the organization has hired staff, they usually have frequent personnel rotation and limited opportunities for professional growth. Most managers have remained in the position for an average of only two years.
- Almost 80% of the organizations lack appropriate accounting procedures.

4. RVCP Institutionalization

- ANACAFE included specific technical staff for RVCP implementation as part of its operational structure. The staff is well qualified to transfer knowledge in the areas of agriculture, post harvest techniques and entrepreneurial development. The technicians are divided up among the various municipalities selected for RVCP implementation and report directly to ANACAFE Regional Coordinators for San Marcos and Huehuetenango.

ANACAFE plans to ensure continuous training to the technical staff as a means to provide follow up to Project activities with their own resources. These efforts will contribute to long-term organizational strengthening for the RVCP producer groups. Furthermore, ANACAFE plans to leverage the RVCP methodology to continue implementing improved practices among other organizations that were not included under RVCP activities or that are in other geographical areas.

- FUNCAFE is organized around three strategic technical areas: health, education and food and nutritional security. Each technical area has a coordinator for the Project. The staff that has been hired and funded for RVCP is assigned to the area on food and nutritional security. In addition, the Project hired a coordinator and a nutritionist, an M&E expert, two horticulturist specialists and a staff of technical experts on food and nutritional security, education and agriculture. The Project structure is designed to support the other technical areas and the management aspect in regards to funding, human resources and administrative processes.

The RVCP technical team is responsible for the activities required for family garden plots and for providing assistance to the families of coffee producers in compliance with the mandate of the institution. Furthermore, the team provides training for the families on issues pertaining to food and nutritional security, sexual and reproductive health and other best practices.

FUNCAFE has a strategic approach to work on food and nutritional security in line with national priorities and designed to target efforts toward the families facing the greatest needs in the coffee sector. As a result, the array of best practices designed to ensure long-term sustainability will be replicated and expanded by FUNCAFE into high priority areas while building capacity among local organizations and value chains. In addition, the organizations will engage with local governments to strengthen their procedures and ability to advocate on behalf of their interests.

- FEDECOCAGUA's organizational structure includes a technical assistance unit, so RVCP personnel were hired within that unit as follows:
 - Seven professionals to fill positions as technical advisors responsible for working with three to five RVCP producer groups;
 - Two technical experts on institutional strengthening that will coordinate efforts with management, financial and accounting staff;
 - Two professionals on certifications and cooperation that will work with the technical advisors on certification procedures and who will seek, promote and organize contacts with other Consortium organizations to address the cross-cutting themes within RVCP.
- FEDECOAG has a Co-operative Development Unit under which RVCP-funded staff is hired. The staff is made up of 26 individuals, as follows:
 - Project Director (1)
 - Trade Specialist (1)
 - Horticulture Specialist (1)

- agricultural technicians (6)
 - promoters (9)
 - organizational strengthening technicians (2)
 - trade experts (2)
 - nutritionists (2)
 - management coordinator (1)
 - administrative assistant (1)
- ARTEXCO had a total of 32 staff members and added 24 new hires (16 women and eight men) for RVCP implementation. The additional staff will work on fulfilling the objectives and targets set in annual work plans, as follows:
- general manager (part-time)
 - organizational and entrepreneurial development (one supervisor and four promoters)
 - marketing and trade (one supervisor, one industrial engineer, two trade experts, one designer, one logistical staffer, one technician in international trade)
 - financing/accounting (one manager, one financial assistant, four accountants and one financial secretary)
 - M&E (one technician)
 - support staff (secretary, janitor, messenger)

The personnel will be working in the field to provide ongoing technical assistance to RVCP artisans. In addition, the staff will have the additional benefit of institutionally strengthening ARTEXCO as an organization to ensure the long-term sustainability of RVCP activities.

ARTEXCO plans to provide follow up to RVCP activities through its Planning Unit to ensure tracking, monitoring and evaluation of procedures in place to assist organizations and members while also evaluating project implementation over the short, medium and long term. One of ARTEXCO's principal objectives is to expand and replicate activities. This could lead to the establishment of new co-ops within the Federation throughout the life of the Project.

ARTEXCO plans to provide follow up and ensure sustainability of RVCP results as follows:

- **Planning:**
 - ✓ Develop annual work plans based on indicator targets
 - ✓ Prepare monthly programming
 - ✓ Plan weekly programming
- **Follow Up:**
 - ✓ Prepare guidance, handbooks, manuals and data collection instruments
 - ✓ Field visits to oversee planned activities
 - ✓ Reporting
 - ✓ Disseminate results
- **Control:**

- ✓ Develop methodologies to produce information for the data base to track indicator progress under the handicrafts value chain and general RVCP indicators
- ✓ Input progress indicators per activity
- ✓ Submit monthly and quarterly reports
- **Evaluation:**
 - ✓ Compare results against targets
 - ✓ Compare implementation results against financial disbursements
 - ✓ Issue warnings if implementation and financial data do not align
 - ✓ Propose corrective measures for programming or re-structuring

5. Components

Component 1: Improved Competitiveness along the Value Chains

The Project plans to improve competitiveness along the coffee and horticulture value chains by implementing the activities described below.

Coffee Value Chain

➤ ANACAFE – San Marcos:

ANACAFE plans to work with 20 coffee grower groups (four co-ops, ten associations, two entrepreneur associations (ECAs in Spanish) and four working groups (GATs in Spanish) in San Marcos under Component One during Year 2 of RVCP implementation. The total membership of all the groups equals 1,593 individuals (1,173 men and 420 women) who each plant an average of 1.27 *manzanas* of coffee. The Project plans to implement the following activities.

- Schedule 123 training activities for 1,626 members of the grower organizations. The training will provide technical assistance on agriculture, organizational strengthening, post harvest techniques, financial, accounting and entrepreneurial issues. In addition, technical staff will plan field visits to follow up on the assistance and demonstrate methods to instill Good Agricultural Practices (GAPs).
- The Project will continue to sustain certification processes for organic coffee among those organizations that have been certified as a means to leverage the additional value in specialized markets.
- The Project will implement GAPs over 284 hectares planted with coffee by 12 of the 20 target organizations. To that end, technicians will promote and implement new technology or management practices (mechanical, biological, cultural and management) to increase yield and productivity.
- The team will also increase productivity by renewing 150 hectares of coffee plantations, as follows:
 1. Total plantation renewal by removing older trees and replacing them with new ones.
 2. Plantation renewal through shade and tissue management techniques, including new plantings where necessary.
- The team will provide all 20 organizations with support and technical assistance for processes pertaining to coffee quality, specifically in wet mill processing. The team will institute quality control procedures such as cupping followed by additional training when required.

- The Project will plan activities to teach members from six organizations on how to prepare their coffee to access specialty markets, as well as on techniques to successfully participate in competitions (e.g. ANACAFE's Cup of Excellence).
- The technical staff will strengthen marketing processes among the grower groups, especially among those growers that are selling their coffee on an individual basis rather than through their organizations.

The Project plans to strengthen the value chain by building trust among members and boards of directors –ensuring greater accountability and seeking better options in the coffee trade.

- Provide technical support to the 20 grower groups to ensure that at least seven of them leverage credit.
- Work with each of the 20 grower groups to ensure that at least 49 coffee producers develop a credit history by accessing the coffee producer trust fund.

➤ **ANACAFE – Huehuetenango:**

RVCP technicians from ANACAFE will work in Huehuetenango through 20 grower groups (two co-ops, nine associations and nine GATs) to improve competitiveness as follows:

- Technical support for each organization to ensure that at least two of the grower groups are able to leverage credit.
- Work with the grower groups so that at least 20 producers develop a credit history by accessing the coffee producer trust fund.
- Develop workshops to implement the RVCP Entrepreneurial Development System (SIDEM in Spanish) as a means to improve competitiveness among the 20 coffee producer groups.

➤ **FEDECOCAGUA – San Marcos and Huehuetenango:**

RVCP staff in FEDECOCAGUA will work with 27 coffee producer groups (23 co-ops and four organizations pending legal personhood). Of these organizations, nine are located in San Marcos and 19 in Huehuetenango with a total combined membership of 2,517 individuals (406 women and 2111 men). Each individual is working an average of 1.4 hectares of coffee.

As a means to improve competitiveness along the coffee value chain, FEDECOCAGUA plans the following activities:

- ten training workshops on GAPs during RVCP Year 2 to benefit a total of 1,100 growers (875 men and 225 women);
- 175 activities (demonstrations, specific presentations and technical assistance field visits) to benefit a total of 1,375 producers (1,000 men and 375 women).

- ten workshops to implement SIDEM and improve competitiveness among seven grower organizations (a total of 150 participants);
- Improved electrical wiring at six shared wet mill processing facilities to indirectly benefit a total of 250 growers (213 men and 37 women), as well as improvements at 50 individually-operated wet mill facilities to benefit 75 producers (65 men and 15 women -*sic*) by means of better post harvest handling, reduced costs and improved competitiveness and quality.
- The Project will provide assistance for six individuals to participate in two of the most important international coffee fairs (possibly SCAA USA, SCAE EU, SCAJ or in Germany).
- The Project will promote FLO certification among six coffee grower groups.
- The Project will lay the groundwork to sustain the certifications obtained by 16 grower groups (FLO, organically grown coffee (EU, NOP, JAS), Starbucks, UTZ Cestifide and Rainforest Alliance).
- The Project will work to improve the credit history of 20 grower groups by strengthening effective management processes for loans and credit.
- The Project will seek to have 20 grower groups leverage their financing from FEDECOCAGUA.

Horticulture Value Chain

➤ FEDECOAG – San Marcos and Huehuetenango:

- **SIDEM** will become the basis for entrepreneurial development efforts with seven RVCP horticulture groups. FEDECOAG and FUNDASISTEMAS will join efforts to develop a work plan.
- The Project will provide technical assistance on a monthly basis to the RVCP horticulture groups selected by FEDECOAG. As a result, at least two of the groups will be able to leverage credit.
- The team will provide monthly assistance to seven horticulture groups to ensure that at least 20 growers develop a credit history.
- The Project will provide ongoing technical assistance to 30 growers from the seven RVCP organizations in San Marcos and Huehuetenango to ensure they grow their crops under controlled conditions in macro tunnels.

- Project technicians will promote at least one partnership between horticulture grower groups and other actors along the value chain as a means to improve competitiveness.

Handicraft Value Chain

ARTEXCO plans activities to strengthen the secondary value chain for textiles and promote another secondary chain for ceramics.

Table 1: Summary of FY2014 Targets under RVCP Component One

Component 1: Improved Competitiveness along the Value Chains		
FY2014 Targets		
Coffee and Horticulture Value Chain Targets		
Description	Life of Project	FY2014 Target
Total 100 lb. sacks of parchment coffee per hectare	19	14
Total number of horticulture producers implementing controlled conditions (greenhouses, macro-tunnels)	90	30
Partnerships between small grower groups and other actors along the horticulture value chain	10	1
Organizations paying for high level management positions	30	15
Organizations launching capital accrual programs	10	19
Credit leveraged through Project coordination, assistance or support	40	34
Alliances among small producer groups and savings and loan organizations	12	5
Arrangements for capital investment in producer groups	5	0
Producers developing credit history (confirmed access and prompt repayment of loan)	200	1,589
Financial institutions that consider credit history when reviewing loan application	2	2
Organizations strengthened through increased membership and improved decision making	80	28
Organizations including women and youth in their decision making processes	40	20
Agreements in place with municipal governments in support of producer group activities	4	3
Funds leveraged or invested in RVCP activities (in GTQs)	24,000,000	25,250,000
COCODES and/or COMUDES involved with RVCP	15	14
Number of public policies discussed or negotiated	1	0
Funds involved in trade transactions conducted on the internet (in GTQs)	8,000,000	0

Component 2: Broadened Participation in Value Chains

RVCP seeks to broaden the participation of individuals in the coffee, horticulture and handicraft value chains by implementing the activities listed below.

➤ ANACAFE – San Marcos and Huehuetenango:

1. Out of the total of 40 RVCP participating organizations, strengthen the membership within 14 coffee producer groups (11 in San Marcos and three in Huehuetenango).

2. Technical support to increase the participation of women and youth in decision-making processes within 11 organizations (eight in San Marcos and three in Huehuetenango).
3. Plan training activities to convey the significance of the organizations increased participation in community development councils (COCODEs in Spanish). Among those organizations already participating, the Project will organize workshops and include COCODE members in a participatory process to determine community development priorities.
4. Strengthen the capital accrual program in nine coffee producer groups (five in San Marcos and four in Huehuetenango).
5. Support nine coffee producer groups (seven in San Marcos and two in Huehuetenango) to leverage credit.

➤ **FEDECOCAGUA – San Marcos and Huehuetenango:**

6. Promote increased community participation among the 28 coffee producer groups.
7. Strengthen administrative and management processes within the 28 producer organizations.
8. As part of the RVCP strategic approach, the Project will train members of the 28 grower groups for increased advocacy efforts with their local governments, together with their community and municipal development councils, as follows:
 - Given that one of its initial phases targets entrepreneurial growth and community outreach, implement SIDEM as a means to significantly broaden participation in RVCP-targeted coffee value chains.
 - Provide support to eight coffee grower groups to increase the participation of women and youth in decision-making processes.
 - Strengthen the capital accrual program within five coffee producer groups.
 - Work with 20 coffee grower groups to leverage credit.
 - Advise and support coffee producer groups to see that 1,500 of their members (1,200 men and 300 women) develop a credit history. This activity will require that members efficiently manage their internal credit policies.
 - Set up technical cooperation agreements with three municipal governments to address topics of interest to RVCP.

➤ **FEDECOAG – San Marcos and Huehuetenango:**

- FEDECOAG has seven member co-ops participating in RVCP activities. Over the course of 2014, the Project will bring in six new producer groups (through technical assistance agreements).
- Support the strengthening of four horticulture grower groups by implementing membership policies in each organization and improving the services provided. The effort will place special emphasis on recruiting women members.
- Provide assistance to two horticulture producer groups to increase the participation of women and youth in decision-making processes to the extent that at least one woman is elected to the board.
- Strengthen capital accrual programs in five horticulture grower organizations.
- Work with five horticulture groups on leveraging credit.

➤ **ARTEXCO - San Marcos and Huehuetenango:**

- Implement SIDEM in two co-ops to benefit a total of 258 artisans.
- Provide technical assistance on legal and management issues to five new groups of artisans to facilitate, train and support the process to acquire legal status. To this end, the Project will schedule at least eight training activities and ten technical assistance visits to support each one of the selected groups.
- Provide assistance to four organizations to increase the participation of women in the handicraft value chain to surpass 50% participation.
- Implement a leadership program to improve the capacity of women to participate in decision making within their respective organizations.

➤ **FUNCAFE:**

- Continue to provide support to the 14 individuals enrolled in the high school coffee production program during the 2013 school year to ensure that they complete the program and graduate in November 2014. Similarly, the Project will make efforts so that at least 16 individuals benefit from the scholarships offered for the coffee production studies program. The purpose is to include the young men and women proposed by the coffee grower groups in the program to increase their skill sets and specialized knowledge, allowing them to institute technological innovation and improved technical/management processes within their grower groups (co-ops and associations).

Table 2: Summary of FY2014 Targets under RVCP Component Two

Component 2: Broadened Participation in Value Chains		
FY2014 Targets		
Description	Life of Project	FY2014 Target
Individuals graduated from specialized coffee and horticulture studies programs	120	14

Component 3: Improved Agricultural Productivity

Coffee Value Chain

➤ **ANACAFE – San Marcos:**

- Provide technical assistance to coffee growers in San Marcos to renew their plantations over 150 hectares by replacing entire plantations that are aged or unproductive or through improved tissue management. The activity involves 445 members of 20 RVCP grower groups.
- Develop a technical assistance program to support the members of 20 grower groups in San Marcos regarding agriculture, post-harvest handling and entrepreneurial development. To this end, ten RVCP technicians will schedule a total of 2,400 field visits to conduct diagnostics, supervise coffee plantations, perform home visits, schedule demonstrations and organize training events.
- Provide training on GAPs and set up rural training centers (CERCAFES in Spanish) for ten producer groups in San Marcos. The CERCAFES are part of an innovate model developed by ANACAFE to promote and instill capacity among members to increase rural development. In addition to addressing coffee production issues, the CERCAFES will implement measures to adapt to climate change, promote the safe use and handling of pesticides and increase food and nutritional security.
- The team will provide technical assistance to coffee producers from 20 organizations in San Marcos regarding coffee wet mill processes. The team will also establish demo plots to show crop diversification techniques using crops with a short growing cycle (beans, vegetables, etc.) that will supplement growers' income until the renewed coffee plantations are again productive. Furthermore, the supplemental crops will contribute to increased food and nutritional security.

➤ **ANACAFE – Huehuetenango:**

- The Project will provide technical assistance to 445 members of grower organizations in Huehuetenango to renew coffee plantations on 45 hectares by either replacing the entire plantation or using tissue management techniques.

- Organize 63 activities to provide training on agricultural and post-harvest techniques to 1,260 small-scale producers (both men and women) from 20 grower groups in Huehuetenango (presentations, workshops, tours and certification courses on coffee production).
 - Schedule a total of 2,200 field visits to provide on site technical assistance through the 20 RVCP producer groups in Huehuetenango throughout the coffee-growing season. The team will prepare teaching material, handouts and equipment to complete the visits.
 - Provide technical assistance during the wet mill processing stage and quality control processes for all 20 organizations. In addition, the team will modify a wet mill processing facility in Huehuetenango by installing a mechanical dryer to benefit the members of a grower group.
- **FEDECOCAGUA – San Marcos and Huehuetenango:**
- FEDECOCAGUA will work with grower groups in San Marcos and Huehuetenango to improve electrical wiring installations at six shared wet mill facilities, together with improvements for 50 individual growers as a means to increase productivity, optimize the use of resources and reduce processing costs for the members. These measures will indirectly benefit 250 members (213 men and 37 women) and directly benefit 75 growers (55 men and 15 women).
 - The Project will provide training and support to renew 476 hectares of coffee plantations to benefit 1,000 members (850 men and 150 women) from grower groups in San Marcos and Huehuetenango.
 - Provide technical assistance by demonstrating methods, conducting presentations and setting up demo plots and field visits. These measures will benefit 1,375 members (1,100 men and 375 women).
 - The technical team will carry out internal inspections for 3,400 growers (3,100 men and 300 women) to reveal any technical gaps, and then suggest remedial options and corrective actions.
 - The Project will provide support and technical assistance to 18 grower organizations to ensure the sustainability of certification processes. These organizations include a total of 1,873 members (1,508 men and 365 women).

Horticulture Value Chain

- **FEDECOAG – San Marcos and Huehuetenango:**
- Provide technical assistance services, training and support to 400 horticulture producers from seven organizations to improve their use of water resources for irrigation and to diversify their crops, as follows:
 - Implement and evaluate seven crop management plans.
 - Evaluate crop behavior (peas, potatoes, carrots and lettuce).

- Evaluate growth stages and crop development.
- Monitor pests and diseases in their various stages.
- Evaluate production yields.
- Harvest and post-harvest handling.
- Soil sampling to assess fertilization needs and phytopathology (nematodes, bacteria, fungi, viruses and others) for each crop among the seven organizations. RVCP will set up a lab for this purpose and ensure its operation beyond the life of the Project by having FEDECOAG draft a sustainability strategy (*annexed to the procurement plan for FY2014*).
- Production alternatives using controlled conditions (macro tunnel technology).
- Set up five demo plots (for potatoes, tomatoes, bell peppers and other crops) using macro-tunnel technology.
- Organize two field visits that include 40 growers (both men and women) in each group and enable them to see options for crop management methods for export purposes based on a marketing and trade approach.
- Organize seven trade committees.
- Draft two horticulture marketing plans.
- Determine alternatives to add value to horticulture crops.

Table 3: Summary of FY2014 Targets under RVCP Component Three

Component 3: Improved Agricultural Productivity FY2014 Targets		
Description	Life of Project	FY2014
Coffee:		
Number of producers that invest in plantation renewal	2,253	1,890
Area (hectares) growing renewed coffee plantations	1,397	776
Number of new or remodeled wet mill processing facilities that meet efficient water use and waste water disposal standards	16	2
Horticulture:		
Number of horticulture producers that use irrigation systems	1,800	400
Crop area under controlled conditions (greenhouses, macro tunnels)	2 hectares	

Component 4: Increased Trade and Expanded Markets (Private Consolidator)

This Component was eliminated from the original proposal and is not covered by the Cooperative Agreement between USAID and the Consortium.

Component 5: Increase Food Production and Improve Food Use

FUNCAFE will carry out the following activities under this Component.

- **Workshops on Food and Nutritional Security**

The Project will move forward to improve food and nutritional security by organizing workshops for members and their families. The team plans to train 1,500 families by the end of FY2014. FUNCAFE considers a family trained after they have completed 24 hours of instruction in the food and nutritional security workshops. FUNCAFE will track participation on a monthly basis and keep records to confirm that the training is complete and will also seek synergies with INTECAP to ensure that the workshops are enriched (additional training material, information exchanges, etc.).

- **Deworming Campaign**

Technicians will coordinate efforts with frontline personnel from the Ministry of Health to organize deworming campaign for school children. To this end, FUNCAFE is also joining efforts with the USAID NutriSalud Program to ensure that their material and health promoter staff contributes to expanding the reach of this component.

- **Family Garden Plots**

The Project will continue to work with families by advising them on the establishment of family garden plots to produce vegetables for their own use. The Project plans to reach 2,500 families. Of these, 60% will be supported directly by FUNCAFE during orientation and training, another 25% will be supported through FEDECOAG and the remaining 15% will work through ARTEXCO. FUNCAFE will provide the technical assistance and support to FEDECOAG and ARTEXCO personnel and will therefore organize train the trainer events on the use of family garden plots and food and nutritional security. FUNCAFE will also provide the necessary training material and methodological approach while coordinating with INCAP to optimize the impact of these activities.

- **Seeds and Micro Irrigation Systems**

The Project plans to provide seeds and micro irrigation systems for 1,500 families participating in the training program on food and nutritional security. The supplies will be used to plant family gardens for their own use. The individuals and their families are primarily members of RVCP selected coffee producer organizations (with a few belonging to horticulture groups). Project staff will deliver the supplies to families that have completed the training program based on the records kept by FUNCAFE. ARTEXCO provided listings of 218 artisans and has joined efforts with FUNCAFE to design a similar program for the handicraft value chain.

- **School Gardens**

The Project will continue to build on previous efforts with the schools in RVCP communities that are working on food and nutritional security. This includes technical assistance to teachers and students on garden plots, but in order to provide a more comprehensive approach to the activity, technicians will also organize workshops on food and nutritional security together with educational activities on sexual and reproductive health. The approach will also include methodologies to improve learning techniques. In working on reproductive health issues, FUNCAFE will seek to partner with USAID PlanFam. In February 2014, the Project plans to

provide 60 schools with fuel-efficient wood stoves, water filters and a seed kit so that the schools can continue to work their gardens. The Project expects that during the 2014 school year, teachers and students will include food and nutritional security best practices as part of their day-to-day activities. Technicians will work with mothers to improve school meals and include produce from the garden plots.

- **Water Filters**

For the past four years, FUNCAFE technicians have recorded the fact that in communities where water filters have been distributed together with instructions on their correct use, gastrointestinal disease has been reduced by 66% among children and adults. The data was also confirmed in the final report produced by the USAID/ANACAFE pilot project implemented in San Pablo and San Miguel Ixtahuacán, San Marcos, where gastrointestinal disease was reduced by 50%. RVCP has continued to work in both locations.

Given that safe water consumption has an enormous impact on human health and there is accumulated positive experience pertaining to the use of water purification systems, FUNCAFE will work during RVCP Year Two to supply 2,500 families with water filters. Technicians from FUNCAFE, FEDECOAG and ARTEXCO will coordinate efforts and criteria to select the families, particularly those that have limited access to safe water in their homes and prioritizing those that regularly attend the training events organized by each Consortium organization. Prior to taking delivery of a water filter, the families will have to have attended two workshops: one on hygiene and cleanliness and the other on safe water. Once each Consortium organization submits their records, the team will select the families for water filters.

- **Efficient Fuel Wood Stoves**

FUNCAFE field technicians scheduled home visits to families in San Marcos, primarily in San Pablo and San Miguel Ixtahuacán. The visits provided an opportunity for families to express their satisfaction with the fuel wood stoves they are using and technicians verified that they are being used correctly. Families indicated that they use much less fuel wood, find it easier to prepare meals and save time formerly used to collect more firewood. The previous USAID/ANACAFE project distributed 175 stoves and RVCP technicians confirmed that more than 95% are still in use.

As a result of these positive outcomes, FUNCAFE will work in RVCP Year 2 to provide a total of 1,000 families with efficient fuel wood stoves. FUNCAFE, FEDECOAG and ARTEXCO technicians will select the families from among those using rudimentary stoves or open fires for cooking or those that have poorly ventilated kitchens or those in poor condition. The team will prioritize the families that regularly attend training activities, but before taking delivery of a stove, the families will have to have participated in at least six workshops of food and nutritional security. Once each organization submits their training records, the team will select the families to receive fuel-efficient stoves.

Table 4: Summary of FY2014 Targets for RVCP Component 5

Component 5: Increase Food Production and Improve Food Use FY2014 Targets		
Description	Life of Project	FY2014 Target
Total number of family gardens installed to improve food availability	5,000	2,500
Total number of families that use an efficient fuel wood stove to prepare their meals safely	5,000	1,000
Total number of families that are using a water filter to provide them with safe water	5,000	2,500
Total number of families trained in food and nutritional safety issues	5,000	1,500
Total number of schools using food and nutritional security practices for their students	60	60
Total number of schools using an improved fuel wood stove to safely prepare students' meals	60	60
Total number of schools using a water filter to provide safe water	60	60
Total number of schools planting garden plots with students	60	60

Component 6: Improvements to the Handicrafts Value Chain

RVCP activities through ARTEXCO for this Component are described below.

1. Conduct a Diagnostic on Production and Marketing for the Handicraft Value Chain

The Project will conduct a diagnostic on the handicraft value chain with special emphasis on production and marketing by analyzing organizational, administrative, financial, productive/technical and trade issues to reveal the current status of handicrafts being produced within the RVCP target area. As a result, the Project will implement activities to develop handicrafts that target the trends, taste and preferences of domestic and international consumers. The Project has already identified the organizations it will be working with in the municipalities of Jacaltenango, San Sebastián Huehuetenango, Cuilco, Concepción Huista, La Democracia and Todos Santos Cuchumatán in Huehuetenango, together with San Pedro Sacatepéquez and San Miguel Ixtahuacán in San Marcos.

ARTEXCO technicians scheduled a series of field visits to complete the diagnostic in each of the selected communities producing handicrafts (especially those working in textiles, wood, ceramics and leather). The team recorded each artisan and prioritized those that are already working through an association or producer group. The team will then classify the artisans according to their productive processes, production capacity and gender. The results will be used for a future marketing and business plan.

The effort is designed to benefit the members of at least four organizations with a total of 600 members (570 women and 30 men).

2. Technical Assistance Plans

Following the classification and categorization process for artisans, the Project plans to implement SIDEM methodologies with each RVCP group to develop the technical assistance plans for each.

ARTEXCO technicians will organize four orientation workshops followed by three meetings with each of the producer groups to complete the assessment on each of the four organizations and draft the technical assistance plan.

The results from the diagnostic assessments will become the basis for identifying the weaknesses in each organization and for optimizing their strengths. They will also be useful to improve internal procedures to improve entrepreneurial capacity in such a way that it will be firmly rooted and sustainable.

3. Investment and Entrepreneurial Development Plans

Building on the SIDEM process, the Project will organize six workshops led by FUNDASISTEMAS to provide the ARTEXCO technical team with the tools required to replicate the methodology in two or three sessions with producer groups. The Project plans a total of 18 four-hour sessions with each producer group for a total of 36 sessions throughout the year. The SIDEM methodology will produce investment and entrepreneurial development plans for each of the producer groups. As a result, the Project expects that the artisans will be able to work in the RVCP target areas under safe conditions, with minimal management, trade and production risk exposure. The Project plans to benefit 258 artisans (both men and women).

4. Training in Business Administration

The technical team will train the members of both producer groups on how to implement their business plans. The team will provide technical assistance and support in the areas of trade and marketing, management, organizational processes, accounting, financial, fiscal and legal issues to benefit a total of 600 artisans (570 women and 30 men). In addition, the Project plans at least 36 field visits to ensure follow up and ongoing technical assistance for each of the producer groups.

5. Training on Best Productive Practices

The Project will study the productive processes then train artisans to analyze their production times, costs, pricing, design and innovations. The team will schedule field visits to each production facility and then organize ten workshops to provide the training specific to processes, costs, quality control and product innovation.

6. New Product Development

The Project will use market studies, trend analysis and sample products to assist artisans in diversifying their product lines to better supply domestic and international markets.

7. Opening New Markets

Using the results from trend analysis and domestic and international market studies, the Project team will select two new markets and will design a web-based promotion strategy including social media, fairs, and contacts with brokers and business roundtables to target those markets. The Project expects that the efforts will increase sales and expand the handicraft market to directly benefit the producer groups working with RVCP.

8. Net Annual Income per Producer from the Sale of Handicrafts

The Project will organize activities to improve accounting records, implement internal controls, use financial analysis, risk management and legal and tax concerns to estimate net annual income from handicraft sales for each producer group selected by RVCP (600 artisans; 570 women and 30 men).

9. Promote Additional or Increased Investment in Handicrafts

The Project plans to use the business plans developed through RVCP assistance to seek any opportunity that might leverage additional funding to invest in new product lines.

Table 5. Summary of FY2014 Targets for RVCP Component 6

Component 6: Improvements to the Handicrafts Value Chain		
FY2014 Targets		
Description	Life of Project	FY2014 Target
Total number of individuals trained in business administration	1800	600
Total number of individuals trained in best productive practices	1800	600
Total number of new handicraft products designed and produced	5	2
Total number of new markets for handicrafts accessed	4	1
Additional net income per producer as a result of handicraft sales	\$ 1000	\$100
New/additional investment in handicraft production	\$ 1,250,000	n/a

Cross Cutting Issues

— Gender:

The RVCP Implementation Unit will continue to move forward in contracting a consultant to design the Project's gender strategy based on the Consortium organizations' experience on the subject. The recently completed gender analysis delivered by two experts hired under a subcontract with Wingerts Consulting will become the basis for the strategy. In turn, the strategy will guide each of the RVCP federations to improve and/or broaden their approach to gender issues. The Project expects that the ensuing institutional changes and adjustments will be officially incorporated into the policies and regulations of each of the participating organizations.

More specifically, FUNCAFE will provide direct support for the spouses of coffee, handicraft and horticulture producers in regard to sexual and reproductive health, including the topics of self-esteem, leadership, family planning, family planning methods and others. The technical team will also organize workshops to improve women's skill sets and develop their capacity to store and conserve foods. This approach will also be useful in providing additional sources of family income.

As part of a strategic approach to increase inclusion, ANACAFE plans activities to include more women and youth in decision-making processes within RVCP producer groups. Furthermore, the Project plans to expand the approach to FEDECOCAGUA and FEDECOAG as part of the processes to consolidate activities on gender issues within the co-op movement being led by CONFECOOP. These efforts comprise a “**gender strategy**” for the Project, which will be designed as a joint effort among all members of the Consortium to take advantage of organizational experiences and policies specific to each sector. The Project plans to validate and review the strategy at the technical, as well as at the management level to strengthen specific activities on inclusion across all Consortium organizations. Furthermore, ANACAFE also plans implement the activities listed below.

- Encourage the participation of spouses and offspring in activities organized by the producer groups or by local governments.
- Involve women at the board level and in decision-making processes.
- Encourage female members to understand the mission, vision and objectives of their organizations.
- Encourage female members to access services offered by their organizations.
- Encourage the organization to evenly distribute tasks or activities between men and women.
- Include topics of interest to women during organization meetings.
- Encourage women to participate in their organization’s productive activities.
- Strengthen and increase female leadership in their organizations and in local government so as to increase their capacity and decision making abilities.

More specifically, ARTEXCO plans RVCP activities that will reinforce opportunities for women, while distinctively meeting their needs so as to minimize gender inequality throughout each phase in the handicraft value chain.

ARTEXCO’s specific gender strategy includes the following:

- Include women in RVCP activities by developing female leadership and setting up gender committees within the Federation, co-ops and other organizations.
- Increase the participation of women in RVCP activities by empowering female members in the organization or as individual producers.
- Train men and women on gender equality and strengthen female leadership by raising awareness among men and women on the ARTEXCO technical team and in upper management in each handicraft organization.
- Communicate with cultural relevance and develop material that is inclusive and encourages the participation of women.
- Forge strategic alliances with organizations and groups that promote the rights of women, seek opportunities to teach women to read and write and promote women’s health and other important issues.

– **Climate Change:**

The RVCP Implementation Unit will develop environmental mitigation plans for coffee, horticulture and handicraft value chains together with activities to increase food and nutritional security.

FUNCAFE is scheduling workshops on soil conservation issues when establishing family gardens. The workshops provide instruction on practices to minimize soil erosion, improve soil nutrition using natural means, control pests and other relevant topics. The workshops will also introduce the concept of low-pressure micro irrigation systems to encourage efficient use of water resources and reduce waste.

FEDECOCAGUA will encourage producer groups to include actions to adapt to climate change as follows:

- Organize ten workshops for members to discuss and review the actual extent of the damage produced by climate change and provide recommendations on adaptation.
- Set up 40,000 linear meters of live barriers to increase crop area and reduce environmental impacts (especially when planting bamboo and giant yucca which can in turn be used for handicraft production and improved food security).
- Set up 125 wastewater tanks to mitigate environmental impact (the tanks are subject to specific USAID environmental provisions).
- Protect 32,000 linear meters of buffer zones along rivers, creeks and streams using dual-purpose plants (bamboo and giant yucca).
- Organize workshops on efficient energy use to reduce dependence on fossil fuels and promote the production of methane from waste products to meet specific fuel needs.

ANACAFE will work with small-scale coffee producers from RVCP grower groups to implement practices to adapt to climate change, as follows:

- Soil conservation: contour planting, the use of live and still barriers, plant cover and other means such as terracing and water harvesting.
- Use of organic matter.
- Reuse water and treat wastewater from coffee processing.

In an effort to encourage water conservation and more efficient use of this resource most severely affected by climate change, ARTEXCO developed an environmental management strategy for thread dyeing facilities to encourage specific mitigation measures for this essential phase in handicraft production.

– **Entrepreneurial Development**

The RVCP SIDEM methodology described earlier in this report was developed as a result of each Consortium organization's experience from promoting organizational strengthening. The system includes a series of logical steps over five phases, as follows:

- (I) Governance;
- (II) Strengthened Management Capacity;
- (III) Strengthened Associative Trade;
- (IV) Business Strengthening, and
- (V) Entrepreneurial Growth and Community Outreach.

ANACAFE will continue to organize training workshops, information tours and certification courses on accounting, management, legal and fiscal topics to strengthen the RVCP producer organizations. In regard to trade and marketing, the Project plans to promote alliances between groups and organizations to consolidate production and leverage any beneficial market positions that could extend to other producers. In addition, the Project will work with organizations that may require additional capital contributions from members.

Furthermore, ANACAFE will continue to promote the use of internal control mechanisms. Technicians will encourage the organizations to see the mechanisms as an integral part of their routine operations rather than as a formality or bureaucratic process. Internal controls should be perceived as requirements to achieve the entrepreneurial objectives set by the organization as a means to safeguard assets, measure yield and profitability, avoid losses, provide reliable and timely financial information and contribute to compliance with applicable legislation.

ANACAFE will also provide technical assistance to producer groups to improve accountability by each of their boards, as well as to oversee financial statements to verify profits and losses. The Project considers that the need to train oversight committees so that they better understand and apply monitoring and oversight actions to improve transparency is an essential component to this. Therefore, the Project plans to train the oversight committees on financial controls and other relevant topics.

ARTEXCO will work to organize handicraft supply in a competitive manner and in order to meet the needs and satisfy the preferences of domestic and international markets. Technicians will organize activities to reinforce an entrepreneurial approach within producer groups to make them more competitive, both in terms of quality as well as quantity. These efforts will be the result of market analysis and quality control measures in an attempt to anticipate market trends and produce a supply specific to those consumer demands.

– **Financial Services**

The RVCP UIP will validate and review the consultant deliverables on financial services provided through a sub-contract with Wingerts Consulting.

ANACAFE will work with producer groups on credit management and support their efforts with the banking sector. In addition, the Project plans to address specific accounting concerns this year by implementing internal records, training board members and accounting staff and providing assistance on tax issues as a means to complying with fiscal obligations.

In addition, ANACAFE plans to schedule review, amend or reclassify accounting records of RVCP producer groups to ensure that they accurately reflect assets and as a means to improve their financial data, enabling producers to access to bank loans by means of higher credit ratings and solid financial backing.

ANACAFE will also provide assistance to producer groups to ensure that they appropriately manage any loans leveraged or obtained with RVCP assistance.

ARTEXCO plans to work with at least two producer groups to attract market investment and develop new product lines. These measures will allow producers to meet international deadlines and increase their return on investment.

– **Communications**

The Project is designing the overall RVCP communications strategy for FY2014 as the result of a participatory process among all implementing units. The strategy is very closely tied to the information system and to RVCP internal controls that have yet to be finalized. The latter include control systems for financial disbursements, technical and management implementation, internal communications within each unit and the RVCP website.

The Consortium organizations, FUNCAFE in particular, will provide schools and families from the RVCP producer groups with information on malnutrition, its causes and remedial measures.

To that end, FUNCAFE developed a set of educational and communication material for rural communities to describe the problem of malnutrition and its repercussions, as well as to propose best practices for hygiene, healthy eating, safe water and other topics that affect food and nutritional security. FUNCAFE previously used its own funds to design and validate the material it currently has at hand. The material is currently under review prior to being included in the overall RVCP communications plan. To that end, the Project plans to schedule meetings with other USAID projects such as FtF, NutriSalud and INCAP to ensure that the material is consistent with overall USAID program guidance and measures being implemented to improve health and nutrition in Guatemala.

– **Coordination with Local and National Governments (Political Dialogue)**

The Project has technicians on staff that work with local governments and regularly attend COMUSAN meetings chaired by SESAN. These meetings provide an excellent opportunity to share Project activities or request cooperation from government institutions when necessary. In addition, FUNCAFE is a member of the Nutrition Alliance (promoted by the private sector and regularly participating in briefings for the Executive).

The Project plans to move forward in implementing a RVCP coordination strategy for producer groups to engage with their municipal governments and development councils. In the case of the latter, the Project places special emphasis on engaging with community and municipal development councils to promote the following:

- Access to benefits offered by food and nutritional security programs being implemented by the Central Government.
- Leveraged public sector resources to strengthen infrastructure investment (roads, highways and power) as necessary to develop more potential within the coffee, horticulture and handicraft value chains.
- Improved access to public services provided by local or national governments (health, education, water and sanitation).
- Increased political participation in municipal planning processes and in the development of local public policy.
- Improved leadership at the community level.
- Active participation in COMUDEs to improve access to the benefits of government investment being channeled through this mechanism.
- Strengthened participation in COCODEs to contribute to development planning and coordinate efforts at the community level.

In a parallel effort, ARTEXCO will strengthen the ties developed over RVCP Year One to work with the Municipal Offices on Women (OMMs in Spanish) and the Municipal Planning Departments in the 18 municipalities selected by the Project.

6. Implementation Obstacles and Mitigation Measures

- The widespread incidence of coffee rust disease has forced both ANACAFE as well as FEDECOCAGUA to invest more time and resources in controlling and preventing further damage to future harvests. Although the damage has been contained to the lowlands in San Marcos, posing less threat to crops in Huehuetenango, institutional budgets and priorities have had to be realigned. These conditions were not factored in during the initial RVCP planning stages and it is now apparent that short and medium term Project implementation will be affected. Many small-scale producers are focusing primarily on meeting their basic needs and some may even have to abandon their crops if they are unable to overcome their losses or take on the increased costs required to battle the disease. As a result of these conditions and as part of the

institutional strengthening component, RVCP is supporting ANACAFE in a process to review and reformulate strategies and institutional efforts. In a parallel effort, the Project is assessing complementary efforts with other programs and projects that could coordinate preventive or corrective measures as part of a strategic agenda that goes beyond mitigating the immediate negative effects of the disease. In the face of the emergency, the Project will participate in developing a comprehensive agenda to reactivate coffee production at the national level over the long term.

- A number of the RVCP selected municipalities have become the focal point for crime and drug trafficking activities. This could hamper the ability of technical personnel to safely mobilize in the field. The RVCP UIP will draft and distribute regulations and recommendations for technical staff in an effort to reduce exposure and risk.

7. Coordination, Cooperation and Exchange Mechanisms with other Institutions Working on Feed the Future (FtF)

- The Project UIP will continue to participate in meetings of the Central Coordination Committee and of the Departmental Coordination Committees for Huehuetenango and San Marcos. The meetings are the result of USAID endeavors to promote greater cooperation under the FtF Initiative.
- The RVCP UIP will continue to move forward with efforts to sign letters of understanding with other projects working on the FtF Initiative.
- More specifically, FUNCAFE worked to identify alliances within the RVCP target areas. In Huehuetenango, technicians approached PCI, working on a sexual and reproductive health component and emergency food supplies, to organize field visits and discuss future referrals. Similarly, FUNCAFE scheduled meetings with the NutriSalud Program to reach agreements to support families living within RVCP target areas to ensure that they access Project health services.
- Over RVCP Year Two, the Project team will strengthen coordination and experience exchanges with the parallel rural value chains project being implemented by a consortium led by AGEXPORT in the provinces of Quetzaltenango, Totonicapán and Quiché.